Division: Office of the President	Department: Bureau of Finance
Document Type: COA SOP	Document Number: Implementation Date: Dec 05, 2016
Title: Chart of Accounts Governance & Maintenance Procedure	
Initial Author/Date: Venu Rapur 10/31/2016	
Rev Author/Initiation Date: 12/12/2016	Effective Date:

Chart of Accounts Governance and Maintenance Procedure

10/31/2016

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1.0 Purpose

1.1 The purpose of this Standard operating procedure manual is to document Cook County system of internal controls for governance of Chart of Accounts. There is often the temptation on the part of busy staff to skip certain control procedures. Documenting procedure helps with enforcement by removing ambiguities and other actions that may circumvent controls.

2.0 Scope

This procedure apply only for the addition of new Oracle values or inactive/disable an existing Oracle Value.

Out of Scope

The sub processes associated with creation of new oracle values, such as creation of Oracle Project and Oracle budget when a new fund value is requested, an Oracle HR organization and Oracle budget when new Oracle program value is requested.

3.0 Accounting Structure and Chart of Accounts

3.1 Over view of Account Structure

Accounting structure has been developed to accomplish following objectives:

- Establish a uniform and comprehensive chart of accounts to provide for collection of financial data, reporting, accuracy, comparability and accountability.

- Meet Federal and State compliance guidelines.

- Ensure compliance with generally accepted accounting principles (GAAP) applicable to state and local governmental entities that have established by Governmental Accounting Standard Board (GASB 34/35).

3.2 Account Segments

The accounting string consists of six segments, also called as accounting flexfield and total of 30 digits as follows: xxxxx.xxxx.xxxxx.xxxxxx.xxxxx.xxxxx. Information on these flexfield is noted below. Typically, accounting flexfield are created in Oracle Financials with in **Setup>Financials>Flexfields>Key>Segments**

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Number	Name	Window Prompt	Column
1.	Fund	Fund	Segment1
2.	Office	Office	Segment2
3.	Program	Program	Segment3
4.	Object Account	Object Account	Segment4
5.	Interfund	Interfund	Segment5
6.	Future	Future	Segment6

3.2.1 Fund

Fund is the primary means within a Department/Agency for tracking and relating specific appropriations, sources and uses of revenues or budget authority. Funds are self-balancing sets of accounting records. Each Department/Agency will have at least one fund, however most will have multiple funds, one for each County appropriation, Federal Granting Agency, or other source of spending authority.

The first numeric value will denote the fund type:

1 – 2 = General Funds

3 – 5 = Special Revenue Funds

6 = Federal Special Revenue Funds

7 = Capital Project, Debt Service, and Permanent Funds

8 = Fiduciary Funds

9 = Internal Service and Proprietary Funds

3.2.2 Office

Department is the identified of each functional division or an office within the agency. Department identified is used to track the costs, budget and employees etc. and the spending controls are established at this level.

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3.2.3 Program

Program is defined to identify the strategic initiatives undertaken by the CCG. Program identifies the County strategic initiatives for which the funding is allocated, tracked and reported. Program values are sequential assigned county-wide by the CCP Budget Office.

3.2.4 Object Account

Object Account represents existing data that resides in various fields for Cook County, Health & Hospitals, Treasury and Forest Preserve. Data in an Object Account segment represents the reporting activities within each COA string. This segment will also hold statistical data.

3.2.5 Interfund

This used to track Interfund transactions within a single ledger and among multiple ledgers. This only used in conjunction with the Interfund Receivable and Payable Object Accounts

3.2.6 Future

This segment is reserved for future use.

3.3 Cross Validation Rules

Cross-validation (also known as cross-segment validation) controls the combinations of values you can create when you enter values for accounting flexfield. A cross-validation rule defines whether a value of a particular segment can be combined with specific values of other segments. Cross-validation is different from segment validation, which controls the values you can enter for a particular segment.

4.0 References

3.1 Internal References

Document #	Title

3.2 External References
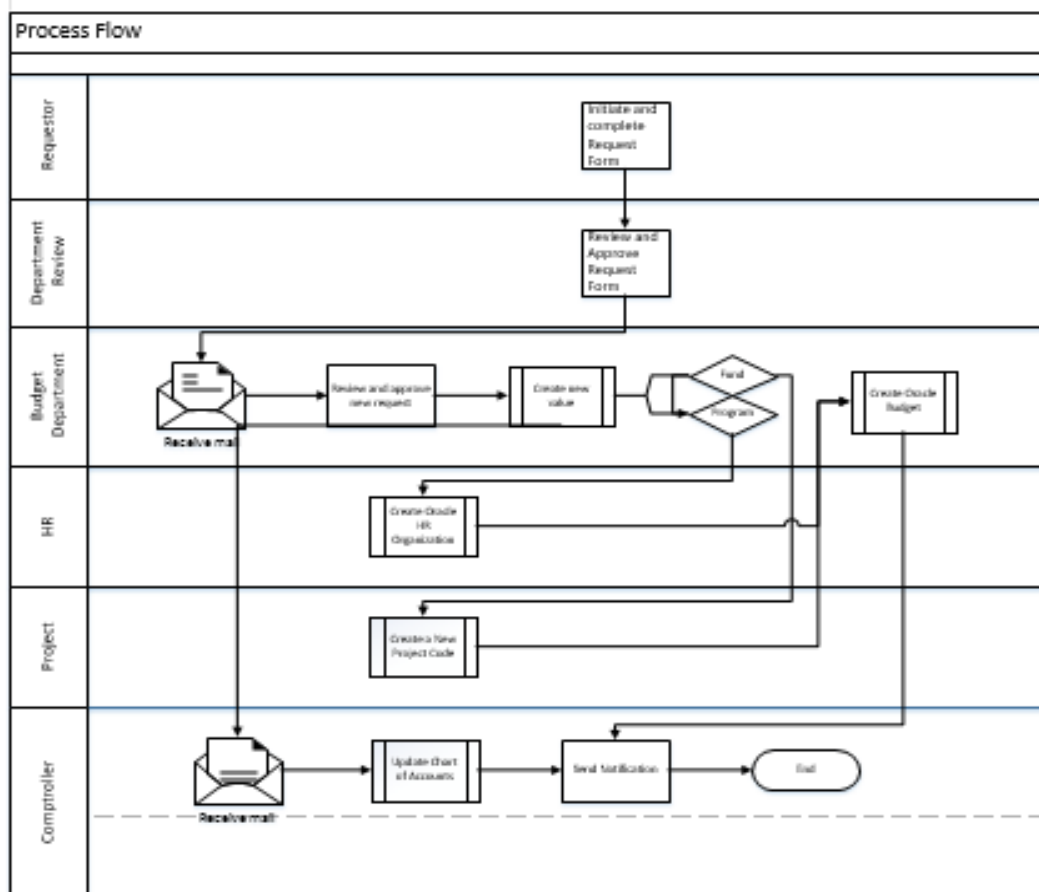
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5.0 Definitions

Word/Acronym		Definition
4.1	GAAP	Generally Accepted Accounting Principles
4.2	GASB 34/35	Governmental Accounting Standard Board
4.3	COA	Chart of Accounts

5.1 Workflow

6.0 Procedure

6.1 New Accounts

Adding new account values within existing accounting segments is a two or three step process. First, staff needs to fill up the 'Chart of Accounts Maintenance Form' by indicating new on type of request. Then indicate whether the new value is for 'Fund', 'Office', 'Program' or Object Account. Then fill in the description of new code requested. Then specify if the new requested value is a 'Parent', 'Postable' and 'Budgetable'. When requesting a new Fund value, specify whether it's a project or a non-project.

6.2 In-activate Existing Value

To inactivate an existing account value, fill up the 'Chart of Accounts Maintenance Form' by indicating Inactivate on type of request. Then fill in the existing value, description and effective date to inactivate.

6.3 Approvals

Any new Fund, Office or Program value has to be first approved by Budget Department. New Object Account value will be approved by Comptroller office. Once the 'Chart of Accounts Maintenance Form' is completed, email it to the budget department. Any new Fund or Program addition should be approved by a centralized body in budget department responsible for creation of Fund or Program. After new value is established and the ''Chart of Accounts Maintenance Form' is updated with the new value, budget department will email to the comptroller team.

6.4 Creation of New Value

Comptroller team responsible for add or inactivate values in the Oracle Chart Accounts. General Super user or General Ledger Manager who has access for setting up the Chart values will create the value. Finally when a new fund value is created, Comptroller team has ensure the same value is entered in 'Interfund' segment to enforce Interfund balancing.

6.5 Cross Validation Rules

After adding new value in the chart of account segment, the value either should be included or excluded the Cross Validation Rule which defines whether this new value of particular segment can combined with specific values of other segments.

6.6 Notification

6.6.1   To receive request, a new email address has to be established. Recommended email would be COA@cookcountyil.com

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6.6.2   The Comptroller team after completing the task, will send an email to concerned parties (CCP, CCH,CCT &CCF and the requestor)

7.0 Open and Closed issues

Open Issue

SL#	Issue Description	
1.	Creation of governance for Sub Process associated with new Oracle Value for Fund or Program. When a new value is requested, an associated sub process has to completed • **Fund:** Creation of an Oracle Project code in Projects module and creation of new Oracle budget or adding to an existing Oracle Budget • **Program:** Creation of Oracle HR Organization and creation of new Oracle budget	